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**Sent:** Tuesday, June 7, 2016 6:28 AM

To: Marshall, Joyce Y.

**Subject:** [In The Know] Incumbent Oklahoma lawmakers draw challengers for primary

election



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# **Today In The News**

Incumbent Oklahoma lawmakers draw challengers for primary

election: More incumbents seeking re-election to the Oklahoma Legislature face a contested primary election than in years past. Thirty-two members of the state House and Senate are running against at least one primary challenger in their re-election bids this year, compared with just 13 in 2014 and 17 in 2012. The majority of state lawmakers seeking re-election will be uncontested on the June 28 primary ballot, but a year of budget shortfalls, exasperated educators and a growing dislike for government on all levels has appeared to motivate more Oklahomans to seek elected office [NewsOK].

Overall state revenue collections for May hit six-year low: Overall state revenue collections in May were the lowest in six years, State Treasurer Ken

Miller said Monday. The month's Gross Receipts to the Treasury report illustrates the continued contraction in the state's economy, he said. Gross receipts for May brought in \$782.5 million, down 7.2 percent from May 2015. Gross income tax collections, a combination of personal and corporate income taxes, generated \$246.9 million, down 9.2 percent from the prior year [Tulsa World].

#### Gov. Mary Fallin signs bond legislation to repair Oklahoma

Capitol: Legislation that authorizes a \$125 million bond issue to pay for a second phase of repairs and renovations to the Oklahoma Capitol has been signed into law by Gov. Mary Fallin. The bill is among 49 pieces of legislation Fallin signed into law Monday that were approved by the Legislature before it adjourned last month. State lawmakers approved a \$120 million bond issue to repair the state's nearly 100-year-old Capitol two years ago [Associated Press].

Highs and lows of Oklahoma's 2016 legislative session: The 2016 session began with some high hopes and grave concerns given the state's massive budget shortfall. Prior to session, OK Policy laid out our top priorities in the areas of budget and taxes, health care, education, criminal justice, economic opportunity, and voting and elections. A few of our priorities met with success, many did not, and there were more than a few surprises along the way. Here's our staff's recap of the major highs and lows of the 2016 session in the issue areas in which we were most deeply engaged [OK Policy].

**agenda':** In the recently concluded legislative session, Gov. Mary Fallin called for Medicaid expansion, a \$3,000 teacher pay raise, expanded sales and use taxes, school consolidation and a tobacco tax. She got none of it. Fallin wanted no new use of "one-time revenue," or funding that doesn't recur on a yearly basis. She lost that fight, too. Lawmakers ended up using

Oklahoma Legislature rebuffs Gov. Mary Fallin's 'aggressive

at least \$600 million in one-time funds, meaning they will face a big budget hole next year when they draw up a new spending plan. Fallin didn't want to

pull money from the Rainy Day Fund, but legislators withdrew cash from that emergency account to stabilize the budget [NewsOK].

When will the state budget woes inflict enough pain for change? One of our biggest challenges is the constitutional requirement, passed by voters in 1992, that any bill that provides new sources of state revenue either be approved by 75 percent of both legislative chambers and the governor or by a vote of the people. No similar requirement is required for reductions in state revenue, and we have experienced plenty of them in recent years, from reductions in personal income tax rates to the favorable tax treatment of horizontal drilling. If we wish to see real change in our state financial health going forward, that constitutional noose around our budget needs to be revisited [Teresa Meinders Burkett / Tulsa World].

Reduction in funding for Oklahoma network "cuts right through the bone": Oklahoma's OETA is preparing for a 16.3 percent cut in state funding that lawmakers imposed in a budget bill approved last week. The budget, which reduces OETA's fiscal 2017 appropriation to \$2.8 million, is to be signed within days by Oklahoma governor Mary Fallin. In drafting the budget, Oklahoma lawmakers struggled to cover a \$1.3 billion deficit projected for next year that was created largely by the falling price of oil. The state relies heavily on tax revenue from oil production [Current].

Medium-security convicts will move to CCA-owned site: In less than a month, medium-security prisoners will move into a state-run prison in far western Oklahoma. The prison in Sayre isn't new; between 1998 and 2015 it was owned and operated by Corrections Corp. of America, a private company. The prison closed last year after CCA lost a contract to house another state's inmates. On July 5, inmates from the Oklahoma State Reformatory in Granite, just half an hour south of Sayre, will be taken to North Fork Correctional Center to serve out their sentences [Journal Record].

Oklahoma Corrections Department is digitizing about 400,000 files: In an old gymnasium at the Kate Barnard Community Corrections Center, a group of staffers and inmates is trying to conquer a mountain of data.

Towering rows of paper files, microfilm and X-rays seem to go on forever. Three-point arcs and free throw lines are barely visible in the brief patches of space between the metal shelves and boxes that line the aisles. "With the resources that I have ... it will take me five years to try to clean out this warehouse," Closed Records Manager Janice Thompson said. It's Thompson's job to turn the roughly 400,000 files, some dating back to the 1920s, into digital files [NewsOK].

Tulsa Public Schools to try to intervene in lawsuit over property-tax payments for schools: The Tulsa school board voted Monday to attempt to intervene in a lawsuit filed by dozens of school districts statewide that are trying to recoup money they were shorted due to a two-decade state taxing snafu. Tulsa was one of the districts that benefited from the error, receiving property tax revenue that should have gone elsewhere [Tulsa World].

County sales tax election result affirmed: Tulsa County commissioners unanimously approved a resolution Monday affirming the April 5 election on the 0.05 percent sales tax extension for the county's portion of the Vision renewal package. The election's validity was called into question after the discovery that several legal notices were not published as required by law. The notices failed to publish because of a miscommunication between the county and the Tulsa World, which published the notice once instead of the five times intended by the county [Tulsa World].

Bill to overhaul appraiser program fails: Despite the best efforts of Rep. Regina Goodwin, D-Tulsa, her bill to restructure how sheriffs appoint appraisers failed in the House this session. House Bill 2380 would have barred sheriffs from hiring close relatives to appraise property sold at sheriff's sales and would have imposed qualifications on those who appraise those properties in the state's 11 most populous counties [Tulsa World Editorial Board].

**Devon announces \$1B in sales, with more to come:** Devon Energy Corp. sold nearly \$1 billion in oil and gas wells, land leases and mineral rights in three transactions, the company announced Monday. The driller is

selling royalties from the northern Midland basin in Texas and shedding assets in western Oklahoma's Granite Wash and in east Texas' gassy field. The east Texas gas well sale is expected to bring about \$525 million. The Oklahoma wells sold for about \$310 million. The Midland Basin royalties should bring about \$139 million [Journal Record].

## **Quote of the Day**

"Oklahoma cannot adequately fund education, the largest consumer of our state budget, or any other core services, without additional revenues. We have demonstrated that we cannot cut our way to prosperity, or even livability. When people say they want schools and teachers to be funded, they need to realize that a revenue increase is needed to do that, and that means an increase in taxes."

-Tulsa attorney Teresa Meinders Burkett on the need to repeal the constitutional requirement that new state revenue be approved by 75 percent of both legislative chambers and the governor or by a vote of the people (Source)

## **Number of the Day**

61.4%

Percentage of Oklahoma smokers who attempted to quit smoking in the past 12 months (2014)

Source: Kaiser Family Foundation

See previous Numbers of the Day here.

### **Policy Note**

Americans Don't Miss Manufacturing — They Miss Unions: Candidates talk about manufacturing because of what it represents in the popular imagination: a source of stable, well-paying jobs, especially for people

without a college degree. But that image is rooted more in nostalgia than in reality. Manufacturing no longer plays its former role in the economy, and not only because there are far fewer factory jobs than in the past. The jobs being created today often pay less than those of the past — sometimes far less [FiveThirtyEight].

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